

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

In Re: NETWORK ENGINES INC.
SECURITIES LITIGATION

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) **CA NO. 03-12529-JLT**
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)

**PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT
AND AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES**

Pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, Lead Plaintiffs move this Court for an order (i) finally certifying the Class herein for the purposes of the settlement; (ii) granting final approval of the proposed \$2,875,000 cash settlement of this action; (iii) approving the proposed Plan of Allocation for distributing the net settlement fund to Class Members; and (iv) granting Plaintiffs' Counsel request for an award of attorneys' fees and reimbursement of litigation expenses.

In support of this Motion, Lead Plaintiffs submit the following herewith: (i) the Joint Declaration of Plaintiffs' Counsel in Support of the Proposed Class Action Settlement and Petition for an Award of Attorneys' Fees and Reimbursement of Expenses; (ii) Plaintiffs' Memorandum of Law in Support of Final Approval of Class Action Settlement and Plan of Allocation; (iii) the Memorandum of Law in Support of Plaintiffs' Counsel's Application for an Award of Attorneys' Fees and Reimbursement of Expenses, each of which is submitted herewith; (iv) Compendium of Plaintiffs' Counsels' Affidavits in Support of an Award of Attorneys' Fees and Expenses; (v) Affidavit of Kim R. Schmidt re: (A) Mailing of the Notice and the Proof of Claim, and (B) Report on Receipt of Exclusion Requests; and (vi) Affidavit of

John J. Mills re: Publication of the Summary Notice of Proposed Settlement of Class Action and Settlement Hearing.

WHEREFORE, Lead Plaintiffs respectfully request that the Court enter an Order in the form of the proposed Order and Final Judgment attached hereto as Exhibit A.

Dated: July 19, 2006

Respectfully submitted,

MOULTON & GANS, P.C.

/s/ Nancy Freeman Gans
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Plaintiffs' Counsel

LOCAL RULE 7.1(A)(2) CERTIFICATE

I, John J. Mills, of Milberg Weiss Bershad & Schulman LLP, Lead Counsel for the Plaintiffs and the Class, hereby certify that on July 19, 2006, I conferred with Daniel W. Halston of WilmerHale, Counsel for Defendants, by e-mail regarding the within motion and Defendants' Counsel neither assents to nor opposes the within motion.

/s/ John J. Mills
John J. Mills

CERTIFICATE OF SERVICE

I, Nancy Freeman Gans, hereby certify that, on July 19, 2006, a true copy of the foregoing "Plaintiffs' Motion for Final Approval of Class Action Settlement and Award of Attorneys' Fees and Reimbursement of Expenses" was served upon the attorneys of record for each party via ECF.

/s/ Nancy Freeman Gans
Nancy Freeman Gans